

**UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS**

IN RE CERENCE STOCKHOLDER
DERIVATIVE LITIGATION

Case No. 1:22-cv-10723-ADB

**STIPULATION AND [PROPOSED]
ORDER STAYING THE ACTION**

WHEREAS, on May 10 and 12, 2022, respectively, plaintiffs William Shafer and Peter Morse (together, Plaintiffs”) filed substantially similar verified shareholder derivative complaints on behalf of Cerence Inc. (“Cerence” or the “Company”) against Defendants Sanjay Dhawan, Mark J. Gallenberger, Arun Sarin, Thomas Beaudoin, Marianna Budnik, Sanjay Jha, Kristi Ann Matus, Alfred Nietzel, and Stefan Ortmanns (collectively, the “Individual Defendants,” and together with Cerence, “Defendants”);

WHEREAS, on June 13, 2022, the Court consolidated the related derivative actions and appointed Co-Lead Counsel;

WHEREAS, the above-captioned action (the “Consolidated Action”) is related to, and asserts factual allegations substantially similar to those asserted in a putative class action also pending in this Court captioned *City of Miami Firefighters’ and Police Officers’ Retirement Trust v. Cerence Inc., et al.*, No. 22-10321-ADB (the “Securities Action”);

WHEREAS, on May 12, 2022, the Court appointed lead plaintiff in the Securities Action (ECF No. 24);

WHEREAS, lead plaintiff in the Securities Action anticipates filing an amended complaint on or before July 26, 2022;

WHEREAS, defendants in the Securities Action anticipate filing a motion to dismiss the amended complaint;

WHEREAS, Plaintiffs and Defendants (collectively, the “Parties”) in the Consolidated Action believe that due to circumstances unique to the Consolidated Action, a ruling on the forthcoming motion to dismiss in the Securities Action may inform the manner in which this Consolidated Action proceeds; and

WHEREAS, in the interest of judicial economy, the Parties have agreed to stay all proceedings, including but not limited to motion practice and discovery, until a decision is rendered on the motion to dismiss in the Securities Action; and

WHEREAS, this stipulation is not a waiver of any of the Parties' rights, remedies, claims, or defenses;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by the Parties hereto, through their undersigned counsel, subject to the approval of the Court, as follows:

1. All proceedings and deadlines in this Consolidated Action, including but not limited to Defendants' time to move, answer, or otherwise respond to the complaints, and including but not limited to all discovery proceedings, shall be stayed until a decision is rendered on the motion to dismiss in the Securities Action.

2. Within fifteen (15) days after the ruling on the motion to dismiss in the Securities Action or the date any Party lifts the stay pursuant to paragraph 3 hereof, the Parties will confer in good faith to determine a schedule for further proceedings, if any, in this Consolidated Action, including the filing of a consolidated complaint, and will submit a proposed scheduling stipulation for this Court's review and approval.

3. The Parties agree that, at any time during which this Consolidated Action is stayed pursuant to this Stipulation and Order, any Party may file a motion with the Court to lift the stay, so long as the Party provides at least fifteen (15) days written notice via email to the undersigned counsel for the other Parties.

4. Notwithstanding this stay of the Consolidated Action, Plaintiffs may file an amended complaint or designate an operative complaint; however, Defendants need not answer or

otherwise respond to the Complaint or to any other complaint or amended complaint that is filed in or consolidated with the Consolidated Action during the pendency of this stay.

5. Defendants shall promptly notify Plaintiffs in the event any other factually related stockholder derivative proceedings are initiated, including but not limited to the filing of a summons and complaint on behalf of Cerence, and/or in the event the Company produces to any stockholder documents in response to a factually related demand under 8 Del. C. § 220 (“Section 220”).

6. In the event that such a factually related stockholder derivative proceeding is filed and not stayed by agreement of the parties or order of court within 60 days of filing, or if Cerence produces documents to a stockholder in response to a factually related Section 220 demand, Plaintiffs may terminate the stay of the Consolidated Action by giving notice to the undersigned counsel for Defendants via email. Defendants’ time to answer, move or otherwise respond to the complaint in the Consolidated Action will be extended until 30 days after termination of the stay.

7. This stay shall not apply to any motions, stipulations, or any other related filings pertaining to consolidation of related shareholder derivative actions and/or appointment of lead plaintiff(s) and lead and liaison counsel(s).

8. If, during the pendency of the stay, a mediation or formal settlement conference is held in effort to settle any factually related derivative action, Defendants shall provide Plaintiffs with reasonable advance notice of, and invite Plaintiffs to, the mediation.

Dated: June 10, 2022

/s/ Christina M. Volpe
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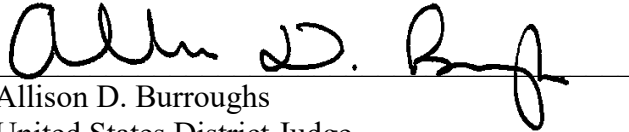
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Counsel for Defendants

SO ORDERED.

DATED: June 27, 2022

A handwritten signature in black ink, appearing to read "Allison D. Burroughs", is written over a horizontal line.

Allison D. Burroughs
United States District Judge